

Legislative File Number R-06-35 (version 1)

CITY of ALBUQUERQUE SEVENTEENTH COUNCIL

Defining An Affordable Housing Policy; And Defining The Roles And Responsibilities Of The Affordable Housing Committee; And Repealing R-52, Enactment No. 74-2000

CITY of ALBUQUERQUE SEVENTEENTH COUNCIL

WHEREAS, the City of Albuquerque is committed to providing affordable housing opportunities for all of its citizens throughout all locations of the City; and

WHEREAS, safe, decent and affordable housing is fundamental to Albuquerque's economic development and quality of life; and

WHEREAS, the Affordable Housing Committee has established guiding principles that include mixed-income communities, inclusion, and diversity as those principles provide for optimum quality of life in a neighborhood because persons in high as well as lower-wage earning professions can afford to live in those communities and provide their much needed services in their communities; and

WHEREAS, a worker in Albuquerque earning the minimum wage of \$5.15. per hour would have to work 104 hours per week to afford a market rate apartment; and

WHEREAS, in the past eighteen months housing construction costs have increased in excess of 25% so that homeownership is once again becoming out of reach for many lower income households; and

WHEREAS, Albuquerque has an estimated homeless population of 1,200 to 2,500 at any given time; and

WHEREAS, more than 11,500 renter households whose incomes are at or below 50% of the area median income are spending more than half of their household

incomes on rent and utilities; and

WHEREAS, more than 5,700 homeowners whose incomes are at or below 50% of the area median income are spending more than half of their household incomes on housing costs; and

WHEREAS, more than 12,000 households whose incomes are above 50% of the area median income but are at or below 80% of the area median income are spending more than 30% of their household incomes on housing costs; and

WHEREAS, housing that is affordable for persons of all income levels is critical to economic development, neighborhood revitalization, childhood health and education, job creation, and the overall well-being of the community; and

WHEREAS, decisions made at all levels of City government regarding residential development and land use impact whether there is sufficient affordable housing.

THEREFORE, BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

Section 1. RESOLUTION REPEAL. This Resolution shall repeal R-52, Enactment 74-2000.

Section 2. POLICY OBJECTIVES. The objectives of the City of Albuquerque's affordable housing policy are to:

- A. Implement the policy (D-5-a) established by the Albuquerque/Bernalillo County Comprehensive Plan, that the opportunity to obtain standard housing for a reasonable proportion of income be assured for Albuquerque residents;
- B. Increase the supply of rental and home ownership housing that is affordable to very low-income, low-income and moderate-income households; and
- C. Ensure equal treatment of all residents, especially very low-income, low-income and moderate-income households, in pursuing affordable housing opportunities; and
 - D. Mitigate homelessness by adopting effective housing relocation strategies.

Section 3. DEFINING AN AFFORDABLE HOUSING POLICY

A. The City shall have a housing policy that identifies all City actions that impact affordable housing including decisions regarding residential development made by any Department or Board, Commission, or Committee convened by the City. This shall include but not be limited to development of Sector Plans, implementation of the

Planned Growth Strategy, downtown development, redevelopment, development of the 5-year Consolidated Plan, Albuquerque Housing Services 1-Year and 5-Year Plans, and Planned Communities such as Mesa del Sol; **and**

- B. The City shall establish percentages and types of affordable housing required in developments that receive an injection of local, state, or federal resources, or material assistance; and
- C. The City shall consider establishing the number of units and types of affordable housing required in each City quadrant, or identify some other type of formula to distribute affordable housing throughout the City to meet the affordable housing need; and
- D. The City shall establish an effective relocation strategy to help mitigate homelessness.

Section 4. DEFINITION OF AFFORDABLE RENTAL AND FOR-PURCHASE HOUSING.

A. Rental housing shall be considered affordable if: (1) the rent does not exceed the fair market rents established for the Section 8 program of the City of Albuquerque or rent levels established by other federal, state or local affordable housing programs currently in existence or that may come into existence in the future; and (2) households are required to spend no more than 30% of household income on rent and utilities.

B. Homeownership housing shall be considered affordable if households are required to spend no more than 30% of household income, adjusted for family size, on monthly housing costs.

Section 5. INVESTMENT OF CITY RESOURCES IN AFFORDABLE HOUSING.

A. Investment of City resources in affordable rental housing is appropriate if the housing is affordable to low- and moderate-income households throughout its useful life.

B. Investment of City resources in affordable, for-purchase housing is appropriate if the project increases homeownership opportunities for low-

income households and for moderate-income households who are first-time homebuyers or households who have not owned a home for three years.

Section 6. REVISED INCOME DEFINITIONS

- A. Following are income categories for the HOME Program in the Department of Housing and Urban Development (HUD):
- 1. "Extremely Low-income" households have incomes that do not exceed 30% of the median family income for the Albuquerque Metropolitan Statistical Area (MSA) adjusted for family size.
- 2. "Very Low-Income" households have incomes between 31% and 50% of the median family income for the Albuquerque MSA adjusted for family size.
- 3. "Low-income" households have incomes between 51% and 60% of the median family income for the Albuquerque MSA adjusted for family size.
- 4. "Moderate-income" households have incomes between 61% and 80% of the median family income for the Albuquerque MSA adjusted for family size.
- B. Households whose incomes do not exceed those as defined by other federal, state, or local programs currently in existence or that may come into existence that provide affordable ownership and rental housing to targeted groups are covered under this Section.
- Section 7. DEFINING THE ROLES AND RESPONSIBILITIES OF THE AFFORDABLE HOUSING COMMITTEE
- A. The primary responsibility of the Affordable Housing Committee (AHC or Committee) shall be to advise the City on policies and activities related to affordable housing. The AHC shall carry out these responsibilities as follows: (1) recommend City policy and strategy initiatives aimed at increasing access to safe, decent and affordable housing for all residents, especially low- and moderate-income households; (2) recommend ways to increase production of affordable housing by all sectors of the economy; (3) work with city staff to develop methods to mitigate and reduce homelessness; to develop effective

housing relocation strategies to mitigate homelessness; (4) assist in efforts to streamline the City's regulatory system.

- B. The City may request and consider recommendations from the Affordable Housing Committee to address the impact on affordable housing production or lack thereof when decisions regarding residential development are made by any Department or Board, Commission, or Committee convened by the City. This shall include but not be limited to development of Sector Plans, implementation of the Planned Growth Strategy, downtown development, redevelopment, development of the 5-year Consolidated Plan, Albuquerque Housing Services 1-Year and 5-Year Plans, and Planned Communities such as Mesa del Sol; and
- C. The City shall request and consider recommendations from the Affordable Housing Committee to establish percentages and types of affordable housing required in developments that receive an injection of local, state, or federal resources, or material assistance; and
- D. The City shall request and consider recommendations from the Affordable Housing Committee at such time as the City may begin consideration of establishing a means to distribute affordable housing throughout the City to meet the affordable housing need; and
- E. The City shall request and consider recommendations from the Affordable Housing Committee to establish an effective housing relocation strategy to help mitigate homelessness for consideration by the Mayor and Council.
- F. The Mayor shall appoint the members of the Committee with the advice and consent of the Council. The AHC may make recommendations to the Mayor for appointment and reappointment to the Committee at the expiration of member terms or upon their resignation. The AHC shall select a Chairperson who shall be a Committee member from the private for-profit or not-for-profit sector.
 - G. The AHC shall consist of 16 members representing the following

industries and community sectors: three low- and moderate-income residents or advocates, one of whom represents the legal and Fair Housing sector; three representatives from the housing building industry; two representatives of the housing lending industry; one representative of the not-for-profit housing development sector; one individual who represents special housing needs; one representative who has membership in a neighborhood association; one elderly advocate; two representatives from the Department of Family and Community Services, one of whom represents Albuquerque Housing Services; one representative from the Department of Planning; and one representative from the Department of Municipal Development. The members shall be appointed for staggered three-year terms. The Committee may create Subcommittees that may include non-AHC members. Each Subcommittee shall include at least one member of the AHC who shall serve as the Subcommittee Chairperson.

F. The Department of Family and Community Services or the Planning Department shall provide staff assistance to the AHC and its Subcommittees.